GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3637
ANSWERED ON:27.04.2007
CLEARANCE OF SCRAP MATERIALS
Chowdhury Shri Adhir Ranjan;Nikhil Kumar Shri

Will the Minister of FINANCE be pleased to state:

(a) whether the Customs officials posted at various ports in the country are clearing the scrap materials without any proper check;

(b) if so, the details thereof;

(c) whether the scrap materials contain highly sensitive ammunition,

(d) if so, whether the Government has conducted any inquiry in this regard; and

(e) if so, the outcome thereof and the action taken against the officials found guilty?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMAN1CKAM)

(a) (b) No Sir, Imported metal scrap at various ports is cleared after detailed examination as per prescribed procedure vide Circular 56/2004 - Customs dated 18.10.2004. Accordingly, metal scrap imported in shredded form is subject to examination norm of 10% of the consignment subject to examination of minimum one container. The containers so selected are examined 100%. Further, import of metal scrap in unshredded, compressed or loose form is subject to examination of 25% of the containers in respect of manufacturer importer and 50% in respect of the trader, for each consignment, subject to minimum one container. Import of such scrap is permitted through specified ports and is required to have a pre-shipment inspection certification issued at the port of export by accredited agencies.

(c) Scrap may be generated by any metallic item. Unshredded scrap sourced from countries affected by war or armed conflict may contain combustible material which may remain sensitive or become sensitive later. In case of detection of any such prohibited material in the scrap, the imported consignment and the concerned persons are subject to penal proceedings under the provisions of Customs Act, 1962 and any other relevant law.

(d) & (e) Enquiry conducted by the Government revealed that the cause of accidents is because of the presence of explosive material which remained undetected due to large volume of consignments and causing explosion subsequently. Import of unshredded metal scrap from Hodaideh, Yemen and Bandar Abbas, Iran are not allowed. No Customs officers have been indicated as guilty in the above report. However, Customs Department takes action for any lapses on the part of officers.